

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

BOARD OF CERTIFIED REAL ESTATE APPRAISERS

MINUTES OF THE TELEPHONIC MEETING

Friday, June 9th, 2017

These are DRAFT minutes prepared by the staff of the Division of Corporations, Business and Professional Licensing. These minutes have not been reviewed or approved by the Board.

By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Certified Real Estate Appraisers was held at the State Office Building, 333 Willoughby Avenue in Juneau, Alaska, on Friday, June 9th, 2017.

Agenda Item #1 **Call to Order/Roll Call** **9:16 a.m.**

The meeting was called to order at 9:16 a.m. by David Derry, Chair.

Those present, constituting a quorum of the Board:

David Derry, Chair, Certified General Real Estate Appraiser

Alfred Ferrara, Certified General Real Estate Appraiser

Robert Tracy, Certified Residential Real Estate Appraiser (*joined the meeting at 11:52 a.m.*)

Renee Piszczek, Mortgage Lending Member (*joined the meeting at 10:10 a.m.*)

Donald Faulkenburry, Public Member

Division Staff present in the meeting:

Laura Carrillo, Records and Licensing Supervisor

Aiko Zaguirre, Licensing Examiner

Martha Hewlett, Administrative Officer

Present from the Public:

Marypat Montana, Certified Residential Real Estate Appraiser

Julie Rogers, Certified Residential Real Estate Appraiser

Agenda Item #2**Review Agenda****9:17 a.m.**

Chair, David Derry, prompted the Board to review the meeting agenda.

Mr. Derry asked the Board to discuss under Agenda Item #6, Regulations Project Update, an email that he received from Director Janey Hovenden in regards to implementing regulations on Appraisal Management Companies (AMCs). As there were no other members who received the email, Mr. Derry asked Aiko Zaguirre, licensing examiner, to forward the email to the rest of the Board, which she immediately did.

On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and approved unanimously, it was:

RESOLVED to approve the Agenda as amended.

Agenda Item #3**Review/Approve Minutes****9:19 a.m.**

Mr. Derry proceeded to the review of the April 14th, 2017 meeting minutes.

Mr. Derry did not find anything to be corrected, and thought that the minutes were very comprehensive, and commended the licensing examiner for a job well done.

On a motion duly made by Donald Faulkenburry, seconded by Alfred Ferrara, and approved unanimously, it was:

RESOLVED to approve the meeting minutes as written.

Agenda Item #4**Ethics Disclosure/Review Ethics****9:20 a.m.**

There were no ethical issues to disclose.

For the record, Chairman Derry informed the Board that he received an email from a Certified Residential Appraiser regarding the issue of geographic competency, which was why he asked Ms. Zaguirre to have that added on the meeting agenda. Mr. Derry stated that he was informed that an issue arises when appraisers come to a specific area to do appraisal work, however, are not very much knowledgeable about the area.

Donald Faulkenburry, the new public member of the Board, felt the need to disclose on the record that he and Alfred Ferrara, another member of the Board, are both a part of the Alaska Philatelic Society. Although they meet frequently to trade stamps, Mr. Faulkenburry stated that they do not, and will not discuss anything Board related. Mr. Derry thanked Mr. Faulkenburry for his transparency.

With no further discussion regarding ethics, the Board proceeded to the next item on their agenda; Board Business.

Applications Review

There were two supervisory approval applications that the Board needed to review. Mr. Ferrara recalled that in order to be approved as a supervisor by the Board, the appraiser must be certified for a couple of years as required in the statutes and regulations, which Mr. Derry affirmed to. Mr. Faulkenburry stated that from his recollection, the appraiser needs to be certified in good standing for at least five years.

The Board first reviewed the supervisory application submitted by David Whitmore, who had been certified since October of 2011.

On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and approved by a roll call vote, it was:

RESOLVED to approve the supervisory application submitted by David C. Whitmore, #APRR654.

Roll Call vote:

Board Member	Approve	Deny	Recuse	Absent
David Derry	X			
Alfred Ferrara	X			
Robert Tracy				X
Renee Piszczek				X
Donald Faulkenburry	X			

The next supervisory approval application reviewed by the Board is submitted by Heath Brown.

On a motion duly made by Donald Faulkenburry, seconded by Alfred Ferrara, and approved by a roll call vote, it was:

RESOLVED to approve the supervisory application submitted by Heath Brown, #APRR863.

Roll Call vote:

Board Member	Approve	Deny	Recuse	Absent
David Derry	X			

Alfred Ferrara	X			
Robert Tracy				X
Renee Piszczek				X
Donald Faulkenburry	X			

Timeliness of Reviewing Applications

After reviewing the applications, the Board proceeded to discuss the timeliness of processing and reviewing the applications. Mr. Derry asked Ms. Zaguirre to add this to the meeting agenda as he noticed in the recent continuing education batch that he reviewed that there were approval applications submitted in February, but were only sent to him in May. Ms. Zaguirre first apologized for the lateness of processing and forwarding the said continuing education approval applications and explained further that in addition to the delays in receiving mail, she has been facilitating and traveling for Board meetings for the other programs that she is handling. Mr. Derry asked Ms. Carrillo if this would be a problem with the Board's state and federal audits. Ms. Carrillo responded that she does not see the administrative lag as a probable audit finding, as they are aware that some examiners like Ms. Zaguirre have more than one program. Ms. Carrillo also added that Ms. Zaguirre had to deal with another Board's sunset audit, and also with other legal issues with one other program.

Ms. Carrillo stated that from her experience in past audits, and in reading the recommendations, legislative audit would mostly look into the public noticing of meetings, rely heavily on meeting minutes and ask about Board discussions, which is why she always instructs the licensing examiners to write detailed minutes as much as possible. Ms. Zaguirre stated that if there will be questions in regards to the timeliness of reviewing applications, she or Ms. Carrillo will explain the situation to the auditors, as there are many factors that affect administrative processing. Mr. Derry stated that he understands the administrative issues, however, was motivated to express his concerns of the lag time in processing continuing education application approvals due to the ongoing certificate renewals and the audits. Chairman Derry also added that he wanted this issue to be discussed on record, and as a Board.

Renewals

After discussing the timeliness of reviewing and approving applications, the Board had a brief conversation about the ongoing certificate renewals. Mr. Ferrara first commended the Division for providing a more efficient renewal process, giving the certificate holders the ability for update their credentials and pay the fees online through the Board's website. Staff, Ms. Carrillo and Ms. Zaguirre were delighted to hear positive feedback regarding the online renewals.

Ms. Zaguirre informed the Board that she had to instruct some certificate holders to renew online or download the forms on the website, as she has received inquiries from a few certificate holders on when the renewal forms will be mailed as it was done so in the past. Ms. Carrillo also noted that although most online renewals have gone through smoothly, there were also some issues that the staff had to fix immediately, specifically on trainee online renewals.

Mr. Ferrara suggested to remove the portion in the online renewals asking specifically for the course approval number of the required USPAP course taken. Mr. Ferrara stated that he had a hard time locating the course number and had to ask Ms. Zaguirre for her help. Mr. Ferrara recalled that during the previous renewal, it was easier to find the course approval number on the Division website, however, it was not as convenient this time. Mr. Derry also had the same issue, but later on found the course approval number on the certificate that he received from the organization that he took the continuing education course with. Mr. Ferrara pondered if it was necessary to require that on the application, when the certificate holder is already attesting to completing the required continuing education hours. Ms. Carrillo clarified that the reason for requiring to input course approval numbers is due to the way the regulations for continuing education are written, specifically for the required Board approved USPAP course.

Ms. Carrillo stated that she has received a few inquiries from certified appraisers not being aware of the requirement that the USPAP class must be Board approved to be considered for their renewals. Ms. Carrillo also added that if the Board prefers not to ask for the USPAP course approval number for the next renewal, then that it can definitely be removed. The Board continued to discuss the course for continuing education and renewals.

The Board discussed again their stand on allowing only half of the continuing education courses be taken online. Mr. Ferrara stated that based from his experience, it seemed longer for him to take the USPAP course online compared to when he took it in person in the past. Because of this, Mr. Ferrara suggested to allow only a quarter of the required number of courses be taken online. Mr. Derry added that per the Board's discussion regarding this issue during their previous meeting, the Board should be firm with their decision to allow only half of the courses be taken online as they have determined the importance of a classroom interaction, especially between appraisers and instructors in person.

Course Re-approval Process

After a brief discussion regarding the online renewals, Chairman Derry prompted to discuss the Board's course re-approval process. Since there was a new Board member, for reference, Mr. Derry reiterated that course approval applications that are AQB/IDECC

certified are not submitted to all Board members for review, only to him. Mr. Derry narrated that he noticed that one of the course approval applications, specifically for a national USPAP course, was already approved in the past, but was submitted by a different sponsor. Mr. Derry pondered on whether or not the application submitted for the USPAP course needed approval, as it is the same exact course already approved. Mr. Derry added that having to process and review the same course is redundant and adds up to the staff and Board's workload, however, Mr. Derry noted that upon reading the regulations, he determined that it is indeed required for all sponsors to submit a course approval application to the Board, regardless of the course. Mr. Ferrara asked if it was possible for the Board to clarify this issue with the Appraisal Subcommittee on their next Board meeting, on whether or not a USPAP course is automatically approved, as this is a national course requirement, to which Mr. Derry agreed.

Mr. Derry asked Ms. Carrillo on whether or not it was a national requirement to request all sponsors to submit course approval applications, particularly USPAP courses. Ms. Carrillo stated that she does not recall this being a topic of interest in past audits, however, the way that the current regulations read is that *all* continuing education courses need to be approved. Ms. Carrillo added that if needed or as instructed by the ASC, the regulations can be amended to automatically accept all USPAP courses due to its uniformity, especially since this is not in statute as both Ms. Carrillo and Ms. Zaguirre received an inquiry from certified appraisers asking as to why a USPAP approval course number is required in the renewals, when it is a national update course. Mr. Faulkenbury raised an important point regarding this issue, which is that although a course is considered universal or "uniform," not all providers are the same. Mr. Faulkenbury stated that it will be hard to identify the provider once a problem arises if there will only be one approval number for a uniform course such as the USPAP, to which Mr. Derry agreed. The Board continued to have a thorough discussion in regards to the course re-approvals, specifically of USPAP courses.

Mr. Derry suggested that this issue be discussed on their July meeting, and ask the Appraisal Subcommittee who will be present at that time, on the national trend in regards to USPAP courses, and re-approvals.

TASK:

The examiner will include in the Agenda for the next Board meeting to discuss the universal approval of the USPAP courses, and inquire to the ASC on the national trend regarding the issue.

Geographic Competency Issues

After agreeing on discussing further on the USPAP course re-approvals on their next meeting, the Board then proceeded to discussing the next item on the agenda, which is

geographic competency issues. Two certified residential appraisers in the State, Julie Rogers and Marypat Montana, joined the meeting.

Mr. Derry stated that he has been receiving comments from appraisers and customers in regards to the topic of geographic competency, particularly around the Kenai Peninsula, and also in Homer and Soldotna. Ms. Montana was one of the individuals that informed Mr. Derry about this issue.

Ms. Montana, a certified residential appraiser from the Kenai Peninsula, stated that she is concerned about the disturbing trend about out-of-market appraisers writing reports that are non-compliant with the USPAP rule about geographic competency. Ms. Montana stated that when she attended a continuing education course, she found that there were numerous appraisers from Fairbanks and Juneau as well that had the same concerns, affecting them financially and in many other ways. Ms. Rogers stated that it would be better if appraisers would disclose in their reports their lack of knowledge of the area that they are appraising, not including those who will be appraising in remote areas. Ms. Rogers continued to express her concerns regarding the issue of geographic competency in parts of Alaska to the Board.

Ms. Rogers stated that a conflict arises when an appraiser does an appraisal work in an area where they are unfamiliar with. In addition, Ms. Rogers added that due to the lack of knowledge in the area, residents, lenders, and real estate agents are getting frustrated with the appraised values that are provided to them. There are some appraisers, Ms. Rogers reported, who only come to the Kenai Peninsula for a couple of months and do poor appraisal work. Mr. Ferrara asked why there were no complaints filed when there is lack of confidence in appraisal reports. Ms. Rogers stated that many people are not aware of the Board's role when it comes to this issue, and would revert to their loan originators to complain instead. Mr. Derry asked Ms. Piszczek on her input regarding the geographic competency issue as a lender in Fairbanks. Ms. Piszczek stated that she can only speak for herself and disclosed that their financial institution only utilizes the service of certified appraisers within the area.

After a thorough discussion with Ms. Rogers and Ms. Montana regarding the issue of geographic competency, Chairman Derry reported that he has not heard of any complaints filed against appraisers due to this reason. Chairman Derry provided the Board with a few suggestions such as writing a letter as a Board to post on their website to alert the public of the growing issue, or sending a letter to the lenders on making sure to hire appraisers who are knowledgeable about the area where they will be conducting an appraisal. Mr. Faulkenbury stated that he views this as an important matter, especially since this affects public trust on both the appraisers and appraisal process. Mr. Faulkenbury added that this

can become a violation of the Board's statutes and regulations, as when one person is incompetent, but claiming otherwise, it is considered as fraud that needs to be dealt with immediately. Mr. Ferrara also stated that some appraisers might think that they are competent after doing only a few appraisal works in an area, and may not realize that there is actually more to what it means to be geographically competent.

Mr. Derry encouraged Ms. Montana and Ms. Rogers to file a complaint, if they deem necessary, and asserted them that the investigative process has greatly improved over the past few years. Mr. Derry affirmed Ms. Rogers and Ms. Montana that the Division staff and the Board are constantly working together to maintain confidentiality at all times, and that the investigative process has become more efficient and effective over the years.

On a motion duly made by Donald Faulkenburry, seconded by Alfred Ferrara, and approved by a roll call vote, it was:

RESOLVED to forward a letter to both lenders and certified real estate appraisers addressing the issue of geographic competency.

Roll Call vote:

Board Member	Approve	Deny	Recuse	Absent
David Derry	X			
Alfred Ferrara	X			
Robert Tracy				X
Renee Piszczek	X			
Donald Faulkenburry	X			

TASK:

The licensing examiner will communicate with Ms. Rogers and Ms. Montana to acquire a list of lenders that the Board will be sending letters to.

TASK:

Chairman Derry will draft a letter to be reviewed and approved by the Board and disseminate to the lenders as provided by Ms. Rogers and Ms. Montana.

Mr. Derry asked Ms. Piszczek if she is knows of any geographic competency issues happening in Fairbanks, to which Ms. Piszczek responded that she is not, but will research more about the topic.

TASK:

Ms. Piszczek will send Ms. Zaguirre a list of lenders in Fairbanks.

Legislative Sunset Audit Update

Ms. Zaguirre provided the Board with a brief update as to how the sunset audit is coming along. Ms. Zaguirre informed the Board that she was asked by the auditors for the rest of the Board members' contact details, and they might be contacted in the future. Ms. Zaguirre affirmed the Board that their audit seems to be going pretty smoothly. Mr. Derry asked Ms. Zaguirre if the auditors can attend Board meetings, or if it is possible to invite them to join the meeting. Ms. Zaguirre responded that she has not experienced having a State auditor attend any Board meetings, but since the Board will be having the Appraisal Subcommittee on their next meeting, she can ask them if they would like to attend as well.

TASK:

The examiner will invite the legislative auditors to attend to the next Board meeting in July 28th.

Upcoming Federal Audit

Mr. Derry, Chair, asked the rest of the Board if they had any additional comments or questions in regards to their upcoming federal audit. Mr. Derry reminded the Board and staff that the reason why they met was to discuss any topics or questions they might have in regards to their audit. Ms. Zaguirre asked the Board if the members will all be available during their meeting on July 28th, which the members present asserted to. As Mr. Tracy was not present in the meeting, he was the only person unconfirmed to attend. Ms. Zaguirre recalled from their April Board meeting that Mr. Tracy will not be available at that time as he will be traveling at that time. Ms. Zaguirre added that she asked Kristi Klamet from the Appraisal Subcommittee if it was possible to change the audit dates for the Board, which unfortunately was not, as they schedule their audits a year in advance.

Agenda Item #6

Regulations Project Update

10:42 a.m.

Fingerprint Issue

Chairman Derry prompted the Board to proceed to the next agenda item, regulations project update. Mr. Derry asked the staff for any update in regards to their currently pending regulations project. Although this has already been discussed and acted upon on their April 14th meeting, it was added to the agenda again as there was an issue in regards to the removing of the national background check language in their regulations draft. Ms. Carrillo informed the Board that since they are already included in the statute for national background checks (AS 12.62.400), they would have to include that in their regulations. Ms. Carrillo also added that Jun Maiquis, the Division's Regulations Specialist is ready to move the regulations project forward, should the Board agree to accept the language and proceed to the next step. Ms. Carrillo added that if the Board would like to repeal the statute, they would have until the next session in order to do that.

Ms. Carrillo also clarified that the fingerprinting requirement is not in the Board's current statutes and regulations, but is under a centralized statute that addresses all professions authorized to require national background checks. Although the fingerprinting requirement may add to the time to acquire a license, this will incur more revenue to the Board, and secure the public with a more competent appraisal workforce. Ms. Carrillo informed the Board that she can ask the other programs who require fingerprinting to give an idea of how long it can take before a request is processed. Ms. Carrillo also added that Mr. Maiquis drafted the language in a way where the licensing examiner can move the application forward prior to receiving the background check, and when there is an undisclosed issue found once it has been received, then the Board will be required to take action. Mr. Faulkenbury commented that it appears that the only delay that the Board can anticipate is the turnaround time in receiving and forwarding the fingerprint cards, to which Ms. Carrillo agreed. Ms. Carrillo indicated that she will develop a procedure to check the fingerprint cards religiously, which will be added to the desk manual so that there will be less delays in processing. The Board continued to discuss the possible actions they need to take when they start to require fingerprinting/national background checks.

Mr. Derry asked what those who are in rural areas need to do in order to acquire their fingerprints. Ms. Carrillo stated that the applicant can go to any police station to complete their fingerprint cards. Mr. Derry asked how they can assure that the fingerprint cards received are authentic. Mr. Faulkenbury informed the Board that as part of the fingerprinting process, the individual who took the fingerprints is included in the report. This would verify the legitimacy of the submitted credentials as only authorized staff may take a person's fingerprints. The Board discussed the process in acquiring fingerprints and background checks further.

In the light of the Board's regulations project, Ms. Carrillo recommended that they wait for the fee analysis that will be presented by Martha Hewlett before they decide on taking any actions with their regulations project, to which Chairman Derry agreed.

Discuss Recommendations for AMC regulations

With no additional questions regarding the fingerprinting requirement, Chairman Derry prompted the Board to discuss recommendations for AMC regulations. During the Board's meeting in April, a motion was passed to pursue implementing regulations for Appraisal Management Companies (AMCs). Mr. Derry asked the subcommittee which consists of Ms. Piszczek and Mr. Tracy to present any update, however, Mr. Tracy was not yet present at the meeting. Mr. Derry asked Ms. Zaguirre if Mr. Tracy provided her with any material to be presented during the meeting. Ms. Zaguirre stated that Mr. Tracy did not forward her any reports regarding AMCs. Mr. Ferrara recalled that during the last meeting, he was tasked to look at the AMC regulations adopted by the Wyoming Board. Mr. Ferrara reported that he

noticed that the Wyoming State Board's AMC regulations appear to be a bit too extensive, more than what it needs to be. Mr. Ferrara added that their regulations included requirements by lenders, not by the Board.

Ms. Zaguirre informed the Board when she attended the Investigations Training in Tampa, Florida, most of the state boards agreed that implementing regulations for AMC has provided them more benefits than repercussions.

The Board also discussed the e-mail that Mr. Derry received from Director Hovenden stating that the Board does not have any statutory authority to draft any AMC regulations. Kristi Klamet from the ASC informed Ms. Zaguirre that most of the other state boards had to go through legislation, however, if the Board's current statutes and regulations are broad enough to regulate AMCs then it can be possible through a regulations change only. Ms. Carrillo stated that she was informed by Sara Chambers, Deputy Director, that statutory change is indeed necessary. Mr. Derry asked if the Board can have information from the Department of Law if it would be possible to implement AMC regulations without having to go through any statutory changes.

TASK:

Staff will contact the AAG/Department of Law for clarification on the possibility of implementing regulations for AMC.

Mr. Ferrara recalled that they have already reached out to the Department of Law regarding this issue, however, were not given a thorough response. Ms. Zaguirre also recollected that during their April 14th meeting, Joan Wilson from the Department of Law stated that she does not see any reason why the Board cannot draft AMC regulations. Mr. Derry suggested to wait until they are told by the Department of Law on whether or not there is really a need to go through legislation in order to implement AMC regulations.

Chairman Derry called for a break at 11:16 a.m.

Off the record at 11:16 a.m.

Back on the record at 11:20 a.m.

Agenda Item #7

Budget Report/Division Update

11:20 a.m.

Martha Hewlett, Administrative Officer, joined the meeting at 11:20 a.m.

Martha Hewlett, Administrative Officer, left the meeting at 11:51 a.m.

After a short break, Division Administrative Officer, Martha Hewlett was prompted by Chairman Derry to present the Board's current budget report. Ms. Zaguirre noted that the report in their packet was not updated, and forwarded the correct document to them via email. Ms. Hewlett went over the Board's FY 2017 3rd quarter financial status as noted on their budget report.

Chairman Derry then asked Ms. Hewlett to provide the Board with their fee analysis. Ms. Hewlett reported that unfortunately, a fee analysis was not completed before the Board's renewals. Ms. Hewlett stated that the process in completing a thorough fee analysis is very time consuming, and although the Director has made her initial review, by the time that the requested information was received, Deputy Director Chambers was appointed as the acting Director of the Alaska Alcohol and Marijuana Office while Director Hovenden had to attend to the hearings and sessions alone. Due to that reason and many other factors, Ms. Hewlett stated that Director Hovenden had a limited time to complete the fee analysis in time. Ms. Hewlett also informed that Board that a fee adjustment can be considered at any time, and is not dependent by any renewal cycle. Ms. Hewlett affirmed the Board that this can be done once Director Hovenden finalizes the fee analysis upon her return, and the regulations change can go through and proceed to public comment. Mr. Derry asked Ms. Hewlett to clarify whether or not changing the application fees would need to go through a regulations change, to which Ms. Hewlett affirmed.

Mr. Derry expressed his dismay of the fee analysis which the Board has been requesting for the past two years not being completed on time, as it is necessary for the Board to be responsive in regards to changing their initial certification and renewal fees as needed. Mr. Derry also added that the Board's renewal fee is probably one of the highest, compared to the other states. Mr. Ferrara commented that especially since the Board currently has a huge surplus, not lowering down the fees would indeed incur more revenue, however, is not really reasonable. Mr. Derry added that the Board is responsible in providing justification as to why the fees are too high, when it is not necessary to charge them that amount with the Board's current surplus. Ms. Hewlett expressed her understanding with the Board's frustrations, unfortunately, she stated that there is not much that she can help with other than relay the Board's concerns to the Director and Deputy Director.

Mr. Ferrara suggested that the Board should delay their current regulations project until they have received the completed fee analysis so it can be added to the pending project to refrain from incurring more expenses. Mr. Derry explained to Ms. Hewlett that the Board has a current regulation project that they needed to vote for, and if the fee analysis will be completed soon, it might be better to consolidate them. Ms. Hewlett stated that consolidation can be an option, but it would depend on how urgent the currently pending

regulations project need to be implemented. The Board continued to discuss the fee change regulations process with Ms. Hewlett.

After much discussion regarding the fee analysis, Mr. Ferrara suggested that they table their current regulations project on fingerprinting and national background checks, and wait until the fee analysis is completed so both regulations projects can be consolidated. Mr. Derry asked Ms. Hewlett if the Board needs a motion to proceed with the fee analysis. Ms. Hewlett stated that it is not necessary to do so, as a fee analysis is usually conducted annually. Mr. Derry stated that he does not recall seeing any fee analysis ever since he has been elected to the Board as Chair. Ms. Hewlett apologized on behalf of the Division, for not being able to present a completed fee analysis to the Board. Mr. Derry thanked Ms. Hewlett for her presentation and prompted the Board for a discussion on the matter.

Ms. Hewlett informed the Board that she will forward to the Board through Ms. Carrillo and Ms. Zaguirre an excel workbook that the Division uses for the fee analysis which the Board can use to input their recommendations for the fee adjustment, which she can present to Director Hovenden when she returns. Mr. Derry stated that the Board will certainly look into that and discuss it further as a Board on their July 28th meeting, if needed.

On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and approved by a roll call vote, it was:

RESOLVED to table the proposed regulations change relative to fingerprinting and background checks until the Board can incorporate in the regulations a revised fee schedule after a completed fee analysis is done until their next meeting in July 28th.

Roll Call vote:

Board Member	Approve	Deny	Recuse	Absent
David Derry	X			
Alfred Ferrara	X			
Robert Tracy	X			
Renee Piszczek	X			
Donald Faulkenburry	X			

Ms. Carrillo expressed her concerns that the ASC or legislative audit might find tabling the pending fingerprinting regulations an issue, as it is in statutes. Mr. Ferrara stated that the ASC has never mentioned the fingerprinting as a requirement, and did not believe that they would take an action against the Board at this time. Mr. Ferrara also noted that it would be more beneficial to the Board that they wait until they determine that it is indeed necessary

to change a regulation or statute. Ms. Carrillo then asked the Board if they will not be having any public comments for the pending regulations project on their next meeting, which Mr. Ferrara agreed to. Mr. Ferrara explained that the Board can discuss the pending regulations at their meeting in July again, including the completed fee schedule, and take action at that time or have a teleconference if and when needed. Ms. Carrillo also clarified that the Board will also not have any regulations regarding transitional licenses as that is a part of the pending regulations project, to which Mr. Derry affirmed. Mr. Derry asked Ms. Carrillo if the Board has been criticized regarding that during their past audit. Ms. Carrillo responded that they were not, however, reminded the Board that that requirement was part of AQB's established criteria. Ms. Carrillo added that hopefully the regulations draft would be sufficient to the ASC when they have their audit.

Agenda Item #8

Administrative Business

12:00 p.m.

Public Member Seat Update

The Board meeting continued after a thorough discussion on regulation matters with Chairman Derry updating Mr. Tracy and Ms. Piszczek of the new public Board member, Mr. Faulkenbury, as it was not long after they joined the meeting. Ms. Piszczek and Mr. Tracy welcomed Mr. Faulkenbury to the Board.

Mr Faulkenbury spent twenty-three years in the military, and is a retired chief warrant officer in the field of counter-intelligence, and worked for seventeen years as an Investigator with the Division of Corporations, Business and Professional Licensing. Mr. Faulkenbury was the assigned investigator to the Real Estate Commission, including the Certified Real Estate Appraisers Board until 2008, and worked for a short time as a licensed insurance sales agent until he officially retired in 2011 or 2012.

Annual Report

Mr. Derry informed the Board that as Chair, he is tasked to complete the annual report. Ms. Zaguirre added that Mr. Derry can delegate tasks to other members and to her, to finish the report. Ms. Zaguirre reminded the Board that the annual report must be submitted to the Division preferably no later than July 1st.

Agenda Item #9

Adjourn

12:10 p.m.

With no further issues to discuss, Chairman Derry respectfully asked that the meeting be adjourned.

Respectfully Submitted by:

Aiko Zaguirre, Licensing Examiner

Approved by:

David Derry, Chair